

## **EAST AYRSHIRE COUNCIL**

### **CABINET MEETING – 4 JUNE 2008 DALMELLINGTON REGENERATION HOUSING INITIATIVE AREA: MOSSDALE TERRACE, BELLSBANK**

#### **Report by Executive Director of Neighbourhood Services and Executive Head of Finance and Asset Management**

#### **1. PURPOSE OF REPORT**

- 1.1** To seek Cabinet approval to amend the proposals for the disposal of a Housing site at Mosssdale Terrace, Bellsbank which was declared surplus to requirements by the former Housing Committee on 25<sup>th</sup> January 2006

#### **2. BACKGROUND**

- 2.1** At its meeting on 25 January 2006, the former Housing Committee declared surplus to requirements a site at Mosssdale Terrace, Bellsbank extending to 1.487 Hectares (3.673 acres) together with the properties identified therein as being in Council ownership for marketing by the then Executive Director of Development and Property Services as appropriate subject to the re-housing of the then existing tenants.

#### **3. CURRENT POSITION**

- 3.1** Following the authority granted by the former Housing Committee on 25<sup>th</sup> January 2006 the property at 1 Mosssdale Terrace, Bellsbank has been sold by the Council in terms of the Right to Buy Legislation. Given the sale of the property and more particularly its location at the south west corner of the site it is no longer considered appropriate to include it in the development proposals. The exclusion of the property accordingly gives a revised site area of 1.447 hectares ( 3.575 acres ) or thereby all as shown hatched on the attached plan.
- 3.2** The revised site comprises of 48 houses as identified on the Appendix to this report of which one is tenanted. There are no owner occupied properties within the revised site.
- 3.3** It was envisaged at the time of submission of the report to the Housing Committee on 25<sup>th</sup> January 2006 that subject to the re-housing of the then existing tenants that the properties then identified as surplus to requirements might be capable of being marketed as a development opportunity without the requirement for demolition. However given the passage of time and the continued deterioration in the condition of the stock it is considered that in order to determine the future sustainability of the existing properties and thereafter to maximise both the opportunity for securing a continued provision of affordable housing and the regeneration potential for this part of Bellsbank that the "Competitive Dialogue" procurement route be utilised in order to seek variable proposals for the development of the site.

**3.4** The use of the “Competitive Dialogue” Procurement route would allow expressions of interest to be sought at this stage which would determine the future sustainability of the existing properties with more detailed proposals thereafter being finalised taking into account the initial responses and the Council’s wider corporate aims .

**3.5** Relevant consultations have been undertaken and comments sought from the local elected members in connection with the proposals .The elected members are supportive of the proposals

#### **4. FINANCIAL IMPLICATIONS**

**4.1** Given the proposal to utilise the” Competitive Dialogue” Procurement route to determine the long term sustainability of the existing buildings on site and identify appropriate development opportunities it has not been possible at this stage to carry out a detailed financial analysis or options appraisal which analysis and options appraisal will be carried out a later stage linked to the procurement process.

**4.2** Home Loss and Disturbance payment to the remaining tenant totalling £1,750.

**4.3** The net sums achieved through the sale of the site at Mossdale Terrace ,Bellsbank would be a receipt to the Housing Revenue Account (HRA)

#### **5. LEGAL IMPLICATIONS**

**5.1** Council tenants are entitled to Home Loss and Disturbance payments in terms of sections 27-29 of the Land Compensation (Scotland) Act 1973 as amended.

**5.2** The Head of Legal Procurement and Regulatory Services shall ensure compliance with the European Procurement Regulations in marketing the site in terms of the Competitive Dialogue procurement process.

**5.3** As the site is held on the Housing Revenue Account the consent of the Scottish Government to the disposal will be required in terms of section 12 (7 ) of the Housing (Scotland ) Act 1987

#### **6. POLICY IMPLICATIONS**

**6.1** It is Council policy to advertise property for sale on the open market unless there are special reasons to do otherwise. The utilisation of the Competitive Dialogue procurement process complies with this policy

#### **7. ASSET MANAGEMENT IMPLICATIONS**

**7.1** The use of the Competitive Dialogue Procurement process will allow a proper determination of the site viability and allow the Council to maximise the marketing potential of the site

## **8. CONCLUSIONS**

- 8.1** The proposals outlined in this report are consistent with the aims and objectives set out in the Council's Community Plan, adopted and draft finalised Local Plans and Local Housing Strategy to regenerate disadvantaged areas and develop sustainable communities.

## **9. RECOMMENDATIONS**

- 9.1** The Cabinet is recommended to:

- (i) authorise the use of the "Competitive Dialogue" Procurement process to market the site extending in total to 1.447 hectares (3.575 acres) or thereby all as shown hatched black on the Plan attached hereto
- (ii) note that a further report on progress will be brought to a future Cabinet; and
- (iii) otherwise note the contents of this report.

William Stafford  
Executive Director of  
Neighbourhood Services

Alex McPhee  
Executive Head of Finance and Asset Management

CMCA/AG/SMCV

22 May 2008

### **LIST OF BACKGROUND PAPERS**

#### **1. Housing Committee Paper – 25<sup>th</sup> January 2006**

Any person wishing to inspect the background papers listed above should contact Chris McAleavey, Executive Head of Housing 01563 574876,

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## APPENDIX

### PROPERTIES WITHIN DEVELOPMENT SITE

#### **Mossdale Terrace**

6,8,10,12,14,16,18,20,22,24,26,28,30,32,34,36,38,40,42,44,46,48,50,52

7,9,11,13,15,17,19,21,23,25,27,29,31,33,35,37,39,41,43,45,47,49,51,53

# CABINET REPORT PLAN



Contents within the area hatched black :  
1.447 Hectares (3.575 acres) or thereby.

**TITLE** HOUSING PROPERTY AT  
MOSSDALE TERRACE  
BELLSBANK  
DALMELLINGTON

**LAND  
SURVEY**

Alexander McPhee ACMA  
Executive Head of Finance  
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**East Ayrshire  
COUNCIL**

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